

### A2 Robinson Brothers & Richards Paints

**In this task I will compare the similarities and differences of Richards Paints and Robinson Brothers. To do this I will be comparing the following aspects:**

- **Activity**
- **Aims and Objectives**
- **Location**
- **Ownership**

#### Activity:-

▲Activity is what the Business does as their main occupation and what the business sells as their products.

#### Similarities:-

Robinson Brothers and Richards Paints are similar in ways of activity, in many ways. Firstly they both company's provide a bespoke service for their customers. Bespoke service is when a customer asks the business to specially make or this is also known as "made-to-order." Richards Paints provide a bespoke service if a customer wants a customised paint colour. Robinson Brothers provide a bespoke service if a customer/ company wants to buy a specially made chemical/ drug.

▲Another similarity is that they both are in the manufacturing business. Manufacturing is when a business chemically/ mechanically builds a product. The main product for Richards Paints is different types of paints. On the other hand Robinson Brothers produce chemicals and drugs.

▲As both businesses are a manufacturing firm this links in well with the following similarity, which is that both business' work in the secondary sector. This means that they produce the goods to be sold. There are three sectors they are: Primary, Secondary and Tertiary. The primary sector collects the raw materials. Secondary Sector produces the goods. Tertiary Sector sells the goods.

▲Also another similarity between both businesses is that they both provide a delivery service. Delivery is a good service to provide by the business as it encourages customers to buy the products online or over the phone. Richards Paints delivers within a 50km radius where as Robinson Brothers delivers nationally.

#### Differences:-

Although the two firms have similarities they also have differences. One of these differences is that both manufacturing companies produce different goods. For example, Robinson Brothers manufacture chemicals and drugs, whilst on the other hand, Richards Paints produce paints.

Another difference is that Richards Paints produce the finished product, whilst as, Robinson Brothers only creates the foundations of the product so that the companies consuming the product can make what they intend to with it.

Lastly the two businesses sell to two completely different markets. Richards Paints sell nationally, however Robinson Brothers sell their products globally. This can have an impact on the amount of sales and profits. If you have a wide market all over the world you will obviously be creating a higher profit for the company, in comparison to selling nationally.

### **Aims and Objectives:-**

Aims and Objectives are the goals that the business wants to achieve and how they will achieve these goals.

### **Similarities:-**

The aims and objectives of Richards Paints and Robinson Brothers are not very similar as they both are two different firms selling different products and they are different sizes. Even though they aren't very similar they still have some similarities in the category of Aims and Objectives. One of these similarities is that the both businesses want to keep the business running with a healthy profit to pay off their workers wages and debts for the business.

### **Differences:-**

Unlike with the similarities there are a few more differences. One of the differences I have picked up on is that because these are two different sized firms they both have different profit expectations. Richards Paints expectations will be low as they are only earning a net profit of £20,000 whilst on the other hand Robinson Brothers' expectations would be high as their net profit is approximately £1m.

Another difference is that one of Richards Paints' aims is to survive and keep the business running, however because Robinson Brothers have such a good and healthy profit they don't need to worry about surviving at the moment, instead they are looking to invest in their R+D and customer services to make it better.

Finally, another difference is the use of formal and informal aims and objectives. Robinson Brothers are quite open and every member of staff knows the aims and objectives, some of their aims and objectives are even mentioned in the mission statement. However Richards Paints are quite informal and only keep it to the business, and don't share their aims and objectives with their staff members.

### **Location:-**

The location of a business is where it is positioned or located and in some ways can determine its success or failure.

### **Similarities:-**

For Robinson Brothers and Richards Paints location plays a major role in the business' success. Robinson Brothers and Richards Paints both located in their spots because of industrial purposes. To expand, Smethwick and West Bromwich were both two of the biggest industrial areas in the 1970's. Both businesses could have located because of this factor.

▲Another factor that could have encouraged the two businesses is that the infrastructure links are wide range of difference. Motorways, trains, and canals are just some of the transportation links that are easy to access. This is a good factor because it is easier and faster to distribute and receive the goods if you are near good transport links.

### **Differences:-**

The two businesses have not got many differences in terms of location; however one of them is that Robinson Brothers is located in an industrial estate whilst Richards Paints is located on a normal side road. This may impact the sales because the location of the business would not stand out if it is hidden on a side road, where as if it is an industrial estate, as with Robinson Brothers, the sales would be much more.

▲Another difference in terms of location is that, Richards Paints is one building, where as Robinson Brothers is split in two buildings which splits the two sections. These two sections are the factory and offices. These two sections are split by Charles Street. This is good because if a meeting is going on there isn't the noise from the factory disturbing the meeting.

### **Ownership:-**

The ownership of a company is how / who takes part in decision making for the company.

### **Similarities:-**

Robinson Brothers and Richards Paints are not very similar when it comes to ownership. One similarity is that both no companies can buy the business out. If the business can not be bought out, the firm creates a relationship with their customers as the customers no that the business owners will be kept the same.

▲Another similarity is that both business owners have limited liability over the business. This means that if the business is not successful and it has debts outstanding only money that is invested in the business can be taken from the

owner. This is an advantage because if the business has unlimited liability then money owned by debt outstanding can be taken from personal possessions.

Finally both companies are a Private Limited Company (LTD.) Some types of LTD's are banks, factoring, and suppliers. Some factors to take into consideration are:

- Disagreement amongst existing shareholders
- Difficulty of finding suitable shareholders
- Loss of control by existing shareholders
- Lack of security for those lending funds
- Element of risk in the loan

### **Differences:-**

The two businesses share quite a lot of differences. I will now compare the two businesses in terms of ownership differences. Firstly, the sizes of both firms are different. Richards Paints is a very small firm while as Robinson Brothers is medium sized. The size can make a difference in the amount of supplies of the raw materials being able to keep.

▲ Another difference is that Robinson Brothers has been passed on through 8 generations, whilst as Richards Paints has only had 4 owners. These facts show that Robinson Brothers has been very successful over the years; however we can not come to a conclusion about Richards Paints because it has opened in 1847 which is recent in terms of businesses.

Lastly, the size of the business indicates the number of staff. ▲ As Robinson Brothers is a medium sized firm it will have quite a lot of employees, however Richards Paints is a very small firm therefore will not have so much. The difference for the number of employees is substantial. Richards Paints have employed 7 members of staff, whilst on the other hand Robinson Brothers have 235 employees. These numbers show how much the business is in demand for their products.